

**NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES
OR DISSEMINATION IN THE UNITED STATES**



**CANADA HOUSE WELLNESS GROUP REPORTS RECORD Q4 FISCAL YEAR 2022
RESULTS, REVENUE INCREASE OF 90% OVER Q4 2021 RESULTS**

Montréal, Québec – June 28, 2022 (CNW) - Canada House Wellness Group (CSE: CHV) (“**Canada House**” or the “**Company**”) is pleased to report its financial results for the three months ending April 30, 2022. All amounts are stated in thousands of Canadian dollars. Complete details may be found at www.sedar.com.

Fourth Quarter 2022 Financial Highlights:

- Revenue was \$5,497, an increase of \$2,599 or 90%, compared to \$2,898 during the same period in the prior year.
- Loss and Comprehensive Loss for the three months ending April 30, 2022, was \$2,146, a decrease of \$4,010 or 65% compared to a loss of \$6,156 during the same period in 2021.
- Adjusted EBITDA¹ of \$322 compared to (\$3,070) for the three months ending April 30, 2021, an increase of \$3,392 in earnings.
- Cash flow used in operating activities for the twelve months ending April 30, 2022 was \$1,991, a decrease of \$1,364 or 41%, compared to \$3,355 during the same period in 2021.

¹*Adjusted EBITDA is a non-IFRS measure used by management that does not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. Management defines adjusted EBITDA as loss and comprehensive loss from operations, as reported, before finance and transaction costs, tax, depreciation, and amortization, and adjusted for removing share-based payments, fair value adjustment on sale of inventory, fair value adjustment on biological assets and other non-cash items including impairment losses. Management believes this measure provides useful information as it is a commonly used measure in the capital markets to approximate operating performance on an adjusted basis as described above. See reconciliation of "Adjusted EBITDA (non-IFRS measure)" below.*

- Cash flow used in investing activities for the twelve months ending April 30, 2022 was \$551 compared to \$664 during the same period in 2021, a decrease of \$113 or 17%.
- Net cash provided by financing activities for the twelve months ending April 30, 2022 was \$1,465 compared to \$4,087 during the same period in 2021, a decrease of \$2,622 or 64%.
- Shareholder's equity was a deficit of \$2,483 compared to \$6,873 of surplus as of April 30, 2021.
- Cash position was \$758 as of April 30, 2022 compared to \$1,835 as at April 30, 2021.

“We are extremely pleased with our continued quarter over quarter revenue growth and positive adjusted EBITDA. Our strong fourth quarter results reflect the strength and continued growth of our high-margin medical platform and the success of our new adult-use SKUs in recreational markets across Canada,” commented Chris Churchill-Smith, CEO of Canada House. “The steps we have taken to date to integrate with MTL Cannabis have been very successful and we expect our revenue growth and financial performance to continue on its current trajectory as we further align our operations under one cohesive strategy.”

Reconciliation of "Adjusted EBITDA (non-IFRS measure)"		
	3 months ended April 30, 2022	3 months ended April 30, 2021
Net loss and comprehensive loss for the period	\$ (2,146)	\$ (6,156)
Finance and transaction costs	810	770
Provision for income taxes	(90)	64
Depreciation and amortization	263	257
Right-of-use assets amortization	90	110
Inventory impairment	1,259	1,834
Share-based compensation	53	270
Fair value adjustment on sale of inventory	(5)	869
Fair value adjustment on biological assets	88	(1,088)
	\$ 2,468	\$ 3,086
Adjusted EBITDA	\$ 322	\$ (3,070)

About Canada House Wellness Group

Canada House Wellness Group is the parent company of Abba Medix Corp., a Licensed Producer in Pickering, Ontario that produces high quality medical grade cannabis; IsoCanMed Inc., a Licensed

Producer in Louiseville, Québec growing premium cannabis in its 64,000 sq. ft. indoor production facility; Canada House Clinics Inc., with clinics across the country that work directly with primary care teams to provide specialized cannabinoid therapy services to patients suffering from simple and complex medical conditions; and Knalysis Technologies, a provider of fully customizable, cloud-based software that links physician, provider, and patient to data that supports treatment with medical cannabis.

Canada House Wellness Group's goal is to become the leading cultivator of premium craft cannabis and provider of cannabinoid therapy, targeting the medical cannabis markets globally. Please visit www.canadahouse.ca or the Company's public filings at www.sedar.com.

For further information, please contact:

Steven Pearce, Vice-President, Legal

Canada House Wellness Group
289-980-3584
spearce@canadahouse.ca

Cautionary Statement Regarding Forward-Looking Information. This press release contains forward-looking statements, including statements that relate to, among other things, the Company's clinic, production and technology businesses, its future plans, the Company's markets, objectives, goals, strategies, intentions, beliefs, expectations and estimates, and can generally be identified by the use of words such as "may", "will", "could", "should", "would", "likely", "possible", "expect", "intend", "estimate", "anticipate", "believe", "plan", "objective" and "continue" (or the negative thereof) and words and expressions of similar import. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied in making forward-looking statements, and actual results may differ materially from those expressed or implied in such statements. Material assumptions used to develop forward-looking information in this news release include, among other things, the closing of the transaction with MTL Cannabis and the receipt of all necessary regulatory and shareholder approvals associated therewith, the regulations related to cannabis use under the Access to Cannabis for Medical Purposes Regulations and the act respecting cannabis and to amend the Controlled Drugs and Substances Act, the Criminal Code and other Acts, passed by the Canadian Federal government, making cannabis and cannabis based edibles, vapes and oils legal for recreational use on October 17, 2018 and October 17, 2019; Company liquidity and capital resources, including the availability of additional capital resources to fund its activities; level of competition; the ability to adapt products and services to the changing market; the ability to attract and retain key executives; and the ability to execute strategic plans. Additional information about material factors that could cause actual results to differ materially from expectations and about material factors or assumptions applied in making forward-looking statements may be found in the Company's most recent annual and interim Management's Discussion and Analysis under "Risk and Uncertainties" as well as in other public disclosure documents filed with Canadian securities regulatory authorities. The Company does not undertake any obligation to update publicly or to revise any of the forward-looking statements contained in this document, whether as a result of new information, future events or otherwise, except as required by law.

Neither the CSE nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.